

BUDGETING FOR A SCHOOL CORPORATION

The following memorandum is a brief guide to School Corporation budgeting.

1. ***START EARLY.*** Allow yourself plenty of time to work through and rework through the process. The budget must be available early enough to allow the board and public time to digest it and make suggestions. After the final budget is adopted and the budget order issued, a school corporation should continue moving forward with planning and forecasting the next budget. Make it a fluid document; one that is modified in response to updated revenue and expenditure forecasts. Look beyond the calendar year you are working on to project what might happen in the next two to three years.
2. ***PULL A CALENDAR TOGETHER.*** Understand what your time line is by developing a calendar that reflects activities from start to finish. By pulling together a time table for initial revenue and budget projections through submitting the final paperwork, a calendar can help you stay on task with budget preparation, review, action, and submission.
3. ***TRACK INFORMATION.*** Track information from the last three years- revenues, expenditures, tax rates, and assessed values. Historical information helps you determine trends when estimating future budgets. Also, tax rate, budget, and levy information can be used to determine if you might have made an error in calculating ensuing year estimates.
4. ***INVOLVE MORE PEOPLE.*** Get the public and staff involved early in the preparation of the budget. Find ways to involve them formally in the process. Do not wait until the budget is finished and then offer interested parties the opportunity to provide input.
5. ***TRANSLATE EVERYTHING INTO PLAIN ENGLISH.*** This includes revenue estimates, expenditures, cash situation, and educational programs. Assist board members and taxpayers in understanding how you came up with your estimates.
6. ***TRANSLATE EXPENDITURES INTO PEOPLE TERMS.*** School budgets are more than 85% people. Who are they? What do they do? To say that a threatened cutback of X million dollars will "curtail educational services" means nothing to the average citizen. Provide the facts. When you say budget cuts could mean one less teacher in each building, or 5 more kids in each class you'll hit home. Remember this is a budget guide, not a budget brief.
7. ***RELATE THE BUDGET TO THE INSTRUCTIONAL PROGRAM.*** Keep in mind the school budget must support an end goal (i.e. to enable students to learn, to read, write, and compute and to prepare them for entering college or a job field). If the budget does not support the educational needs of students, why should people approve it?
8. ***GET YOUR MESSAGE OUT.*** Some people need more detailed information than others, but everybody needs to know something about the school district budget and how it will be used. Honest clear communication about the district's accomplishments and needs will pay off in increased public confidence and support.
9. ***BE ACCOUNTABLE.*** Being accountable to taxpayers is being a good steward of their funds. Doing so increases your chance for receiving community support for the budget.
10. ***CHECK YOUR WORK.*** Before you forward your Form 3 information to the newspaper, check everything two or three times. A simple error in the calculation of a tax rate can result in a rate of \$.075 instead of \$.75 and a lower levy than anticipated. Publishing the budget one day after the last date to advertise the budget could mean denial of all budgets. Take the time to review your work. Allocating more time now to review the budget could alleviate problems later.